

## RATIFICATION AND AMENDMENT OF OIL AND GAS LEASE

L0578863

WHEREAS, **Mason Dixon Farms, L.L.C., a Limited Liability Company**, having an address at **P.O. Box 360911, Melbourne FL 32396**, as Lessor, previously entered into an Oil and Gas Lease dated **December 31, 2009**, (the "Lease") in which **Chesapeake Appalachia, L.L.C.** was the named Lessee, for which a Memorandum of Oil and Gas Lease was recorded in Book **695** at page **221** of the Recorder of Deeds Records of **Marshall County, West Virginia**, situated in **Liberty District, Marshall County, West Virginia**, and

WHEREAS, the Lease is now owned by **Chesapeake Appalachia, L.L.C.**, an Oklahoma limited liability company, ("Lessee"), and

WHEREAS, paragraph 4. of the Addendum to the Lease provides for the Lessee to pay to the Lessor free of cost, a royalty equal to **sixteen percent (16%)** of all oil produced and saved from the leased premises, and shall pay Lessor **sixteen percent (16%)** of the proceeds of all gas produced and saved from the leased premises, payable monthly. Said royalty is to be computed at the point of sale. It is agreed between the Lessor and Lessee that, notwithstanding any language herein to the contrary, all oil, gas or other proceeds accruing to the Lessor under the subject lease or by state law shall be without deduction, directly or indirectly, for the cost of producing, gathering, separating, treating, dehydrating, compressing processing, transporting, and marketing the oil, gas and other products produced hereunder to transform the product into marketable form.

WHEREAS, the Lessor and the Lessee, for their mutual benefit, desire to amend and modify the Lease in order to facilitate the development of the premises covered by the Lease;

NOW THEREFORE, in consideration of the premises and the sum of Ten Dollars (\$10.00) paid by the Lessee to the Lessor, the receipt and sufficiency of which is hereby acknowledged, and of the covenants hereinafter contained, the Lessor and the Lessee hereby agree to modify the Lease, and do hereby modify the Lease, by amending the Lease as follows:

1. The Lessee shall to pay to the Lessor free of cost, a royalty equal to **three-sixteenths (3/16)** of all oil produced and saved from the leased premises, and shall pay Lessor **three-sixteenths (3/16)** of the proceeds of all gas produced and saved from the leased premises, payable monthly. Said royalty is to be computed at the point of sale. It is agreed between the Lessor and Lessee that, notwithstanding any language herein to the contrary, all oil, gas or other proceeds accruing to the Lessor under the subject lease or by state law shall be without deduction, directly or indirectly, for the cost of producing, gather,

separating, treating, dehydrating, compressing, processing, transporting, and marketing the oil, gas and other products produced hereunder to transform the product into marketable form. Any royalty payments arising from sales to affiliates of Lessee shall be based on not less than current market value price of like kind gas in the immediate area at the time of sale..

2. Lessee agrees to pay **81.25%** of any increase in ad valorem taxes attributable to, or resulting from, the assessment of oil and gas due to production from the leased premises.

**LESSOR** hereby ratifies and affirms the Lease as amended and acknowledges that it is a valid and subsisting lease and shall remain in full force and effect according to the terms and tenor thereof unless otherwise specifically amended hereby.

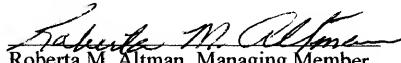
This Ratification and Amendment of Oil and Gas Lease extends to and is binding upon the parties hereto, their respective heirs, successors, administrators, executors and assigns.

This agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy and all of which, when taken together, will be deemed to constitute one and the same agreement.

**WITNESS** the following signatures and seals all effective as of the day of the Lease.

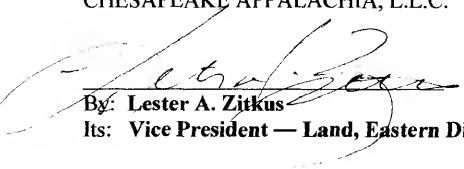
MASON DIXON FARMS, L.L.C.

  
T. A. Altman, Managing Member

  
Roberta M. Altman, Managing Member

Jan Pest  
MARRSHALL County 01:03:37 PM  
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Pages Recorded 4  
Book-Page 722-335  
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Additional \$6.00

CHESAPEAKE APPALACHIA, L.L.C.

  
By: Lester A. Zitkus  
Its: Vice President — Land, Eastern Division

#### ACKNOWLEDGMENT

STATE OF FLORIDA) ) SS:  
COUNTY OF BREVARD)

On this the 15<sup>th</sup> day of July 2010, before me, a notary public, the undersigned authority, personally appeared **T. A. Altman, Managing Member of Mason Dixon Farms, L.L.C.**, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he/she/they executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission Expires: \_\_\_\_\_  
Signature/Notary Public: \_\_\_\_\_  
Name/Notary Public (print): \_\_\_\_\_



## ACKNOWLEDGMENT

STATE OF FLORIDA)  
COUNTY OF Brevard) SS:

On this the 15<sup>th</sup> day of July 2010, before me, a notary public, the undersigned authority, personally appeared **Roberta M. Altman, Managing Member of Mason Dixon Farms, L.L.C.**, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged that he/she/they executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

My Commission Expires: \_\_\_\_\_  
Signature/Notary Public: \_\_\_\_\_  
Name/Notary Public (print): \_\_\_\_\_



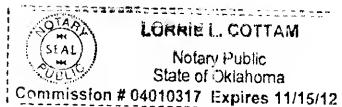
## ACKNOWLEDGMENT

STATE OF OKLAHOMA

STATE OF **OKLAHOMA** )  
 ) SS:  
COUNTY OF OKLAHOMA)

On this the 10 day of November 2010 before me, a notary public, the undersigned officer, personally appeared **Lester A. Zitkus**, who acknowledged himself to be the **Vice President - Land, Eastern Division of Chesapeake Appalachia, L.L.C., an Oklahoma limited liability company**, and that he as such **Vice President - Land, Eastern Division**, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the company by himself as **Vice President - Land, Eastern Division**.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.



My Commission Expires: 11/15/12  
Signature/Notary Public: Lorrie L. Cottam  
Name/Notary Public (print): Lorrie L. Cottam

Reactor Components  
Crossing, Oklahoma, Inc.  
P.O. Box  
Oklahoma City, Oklahoma 73134

Document prepared by: Chesapeake Appalachia, LLC, P.O. Box 18496, Oklahoma City, OK 73154-0496.

Recorder: Please return to Chesapeake Appalachia, L.L.C., P. O. Box 18496, Oklahoma City, OK 73154-0496.

STATE OF WEST VIRGINIA, MARSHALL COUNTY, SCT.:

I, JAN PEST, Clerk of the County Commission of said County, do hereby certify that the annexed writing, bearing date on the 15<sup>th</sup> day of July, 2010, was presented for and by me, admitted to record in my office upon the above certificate as to the parties therein named this 28<sup>th</sup> day of August, 2011 at 1:03 o'clock P.M.

CPS 5M 12-09

- Clerk.